

The guidance described in this bill to help small businesses is based on the NIST cybersecurity framework. H.R. 2105 prioritizes dissemination of this guidance by NIST within its almost \$1 billion budget.

Mr. Speaker, I urge my colleagues to show their support for small business by approving Mr. WEBSTER's fiscally responsible, innovation protection bill today.

Mr. LIPINSKI. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Mr. WEBSTER of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Virginia (Mrs. COMSTOCK), the chairwoman of the subcommittee.

Mrs. COMSTOCK. Mr. Speaker, I rise in support of H.R. 2105.

When I travel around my district, which is rich with technology workers, the thing that I hear repeated concern about is the increasing need for individuals with the skill set, education, training, and knowledge of cybersecurity matters.

With the recent events with Equifax, WannaCry, and OPM breaches, it is clear that our cybersecurity infrastructure needs to be strengthened.

In December 2016, the Commission on Enhancing National Cybersecurity specifically recommended that the administration should "develop concrete efforts to support and strengthen the cybersecurity of small- and medium-sized businesses."

With small businesses accounting for most of the U.S. economy's jobs and sales, it is imperative that we provide guidance to help them identify, assess, manage, and reduce their cybersecurity risks. By making these resources readily available to small businesses across the country, this commonsense legislation will help them protect their sensitive data and business from cyber threats so they can grow our economy and provide more jobs instead.

I am proud to be an original cosponsor of this measure, the NIST Small Business Cybersecurity Act, and I urge my colleagues to vote "yes" on its passage.

Mr. Speaker, I thank my colleague from Florida (Mr. WEBSTER) for his leadership on this legislation.

Mr. LIPINSKI. Mr. Speaker, I continue to reserve the balance of my time.

Mr. WEBSTER of Florida. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. NORMAN).

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Mr. NORMAN. Mr. Speaker, I rise today in support of H.R. 2105, the National Institute of Standards and Technology Small Business Cybersecurity Act. This bill directs the National Institute of Standards and Technology to issue guidance for small businesses to use voluntarily to assist them in identifying and assessing, managing, and reducing the cybersecurity risk.

As has been said, small businesses in the U.S. account for 54 percent of sales

and 55 percent of U.S. jobs. However, a 2016 Symantec Internet Security Threat Report indicated that businesses with less than 250 employees are facing increased cybersecurity threats, up from 18 percent in 2011 to 43 percent in 2015.

Mr. Speaker, I recently passed our real estate small business to my son Warren, so I understand the importance of equipping small businesses with the tools that will enable them to meet the emerging challenges.

I urge passage of H.R. 2105, which will help prepare small businesses in the future, and I urge my colleagues to pass it.

Mr. LIPINSKI. Mr. Speaker, I continue to reserve the balance of my time.

Mr. WEBSTER of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. BACON).

Mr. BACON. Mr. Speaker, I rise in support of the National Institute of Standards and Technology Small Business Cybersecurity Act, a bill that I am proud to cosponsor. This legislation will help promote stronger cybersecurity practices amongst our Nation's small businesses, and it is fiscally responsible.

The well-being of our small businesses is important to the overall health of our economy. According to the Small Business Administration, small businesses account for 55 percent of total jobs in the United States. In my home State of Nebraska, small businesses employed 390,000 people in 2016.

Some small businesses are not able to prioritize cybersecurity efforts over other aspects of their business or they lack the resources to secure their networks and systems. We must promote greater preparedness to protect small businesses from cyber attacks.

H.R. 2105 directs NIST to disseminate guidance to help small businesses identify, assess, manage, and reduce their cyber risks based off NIST's extensive expertise. This is a big step towards promoting better cybersecurity practices amongst our Nation's small businesses.

I urge my colleagues to support H.R. 2105.

Mr. LIPINSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we all have come down here and talked about the importance of small business. We know how important small businesses are to our country, the real engine of our economic growth.

We also know that, in most small businesses today, they don't have the capabilities to have an IT department or the expertise that they need to protect themselves from the continual cyber attacks, the theft of data that we hear about. But those attacks and that theft of data does not only happen for large companies; it is also a threat to small businesses. Therefore, we need to do all that we can to make sure that they are capable of protecting them-

selves so that our small businesses can continue to thrive and be the economic engine that they are.

I urge my colleagues to support this bill. We get something good done for our small businesses. I urge them to support this, and I yield back the balance of my time.

Mr. WEBSTER of Florida. Mr. Speaker, I thank those from both sides—Ranking Member LIPINSKI, Chairman SMITH, and others—who have supported this bill. It is a great idea. It is an opportunity to not only have available for us, it has bipartisan support and also bicameral support. This is a good opportunity to help all small businesses.

I know personally from my business and I know others who have small businesses who know that there is, in a sense, very little help right now for small businesses in this area of cybersecurity. The larger businesses certainly have their own IT people; we don't. So I am excited about the fact that this could happen, and I move passage.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARTON). The question is on the motion offered by the gentleman from Florida (Mr. WEBSTER) that the House suspend the rules and pass the bill, H.R. 2105, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### THE SMALL BUSINESS INNOVATION RESEARCH AND SMALL BUSINESS TECHNOLOGY TRANSFER IMPROVEMENTS ACT OF 2017

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2763) to amend the Small Business Act to improve the Small Business Innovation Research program and Small Business Technology Transfer program, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2763

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as "The Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2017".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title, table of contents.
- Sec. 2. Requiring insertion incentives.
- Sec. 3. Additional SBIR and STTR technology insertion reporting requirement.
- Sec. 4. Encouraging innovation in United States manufacturing.
- Sec. 5. Encouraging innovation in cybersecurity.
- Sec. 6. Compliance of Phase III awards with competitive procedures.

Sec. 7. Improvements to technical and business assistance in the SBIR and STTR programs.

Sec. 8. Procurement center representatives and other acquisition personnel in the SBIR and STTR programs.

Sec. 9. Increased outreach requirements.

Sec. 10. Annual meeting.

Sec. 11. Establishing the Civilian Agency Commercialization Readiness Program.

Sec. 12. Commercialization assistance pilot programs.

Sec. 13. Phase 0 Proof of Concept Partnership Pilot Program.

Sec. 14. Reporting requirements.

Sec. 15. SBIR Phase flexibility.

Sec. 16. Extension of deadline for assistance for administrative, oversight, and contract processing costs.

## SEC. 2. REQUIRING INSERTION INCENTIVES.

Section 9(y)(5) of the Small Business Act (15 U.S.C. 638(y)(5)) is amended by striking “is authorized to” and inserting, “shall”.

## SEC. 3. ADDITIONAL SBIR AND STTR TECHNOLOGY INSERTION REPORTING REQUIREMENT.

Section 9(y)(6) of the Small Business Act (15 U.S.C. 638(y)(6)) is amended—

(1) in subparagraph (B), by striking “and” at the end;

(2) in subparagraph (C)(iii), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new subparagraph:

“(D) not later than 120 days after the date of the enactment of this subparagraph, and not later than December 31 of each year thereafter, submit to the Committee on Science, Space, and Technology and the Committee on Small Business of the House of Representatives, and to the Committee on Small Business and Entrepreneurship of the Senate, a report describing the goals set under subparagraph (A) and the incentives used or created under subparagraph (B).”.

## SEC. 4. ENCOURAGING INNOVATION IN UNITED STATES MANUFACTURING.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following new subsection:

“(tt) ENCOURAGING INNOVATION IN UNITED STATES MANUFACTURING.—In carrying out this section, the Administrator shall—

“(1) ensure that, in selecting small business concerns to participate in SBIR or STTR programs under this section, Federal agencies give high priority to small manufacturing companies and other small business concerns engaged in or planning to engage in manufacturing research and development for the purpose of developing and producing new products and technologies in the United States; and”

“(2) include in the annual report to Congress under subsection (b)(7) a determination of whether the priority described in paragraph (1) is being carried out.”.

## SEC. 5. ENCOURAGING INNOVATION IN CYBERSECURITY.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by section 4, is further amended by adding at the end the following new subsection.

“(uu) ENCOURAGING INNOVATION IN CYBERSECURITY.—In carrying out this section, the Administrator shall—

“(1) ensure that, in selecting small business concerns to participate in SBIR or STTR programs under this section, Federal agencies engaged in cybersecurity research give high priority to small business concerns that are engaged in cybersecurity research and development, for the purpose of developing and implementing technology services and products to strengthen the security of

United States Government and private computer systems, including software, hardware, and portable devices; and

“(2) include in the annual report to Congress under subsection (b)(7) a determination of whether the priority described in paragraph (1) is being carried out.”.

## SEC. 6. COMPLIANCE OF PHASE III AWARDS WITH COMPETITIVE PROCEDURES.

Section 9(r)(4) of the Small Business Act (15 U.S.C. 638(r)(4)) is amended by inserting “as direct follow-on awards issued without further competition” after “developed the technology”.

## SEC. 7. IMPROVEMENTS TO TECHNICAL AND BUSINESS ASSISTANCE IN THE SBIR AND STTR PROGRAMS.

Section 9(q) of the Small Business Act (15 U.S.C. 638(q)) is amended—

(1) in the subsection heading, by inserting “AND BUSINESS” after “TECHNICAL”;;

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “a vendor selected under paragraph (2)” and inserting “1 or more vendors selected under paragraph (2)(A)”;;

(ii) by inserting “and business” before “assistance services”; and

(iii) by inserting “assistance with product sales, intellectual property protections, market research, market validation, and development of regulatory plans and manufacturing plans,” after “technologies,”; and

(B) in subparagraph (D), by inserting “, including intellectual property protections” before the period at the end;

(3) in paragraph (2)—

(A) by striking “Each agency may select a vendor to assist small business concerns to meet” and inserting the following:

“(A) IN GENERAL.—Each agency may select 1 or more vendors from which small business concerns may obtain assistance in meeting”; and

(B) by adding at the end the following new subparagraph:

(B) SELECTION BY SMALL BUSINESS CONCERN.—A small business concern may, by contract or otherwise, select 1 or more vendors to assist the small business concern in meeting the goals listed in paragraph (1).”; and

(4) in paragraph (3)—

(A) by inserting “(A)” after “paragraph (2)” each place it appears;

(B) in subparagraph (A), by striking “\$5,000 per year” each place it appears and inserting “\$6,500 per project”;

(C) in subparagraph (B)—

(i) by striking “\$5,000 per year” each place it appears and inserting “\$35,000 per project”; and

(ii) in clause (ii), by striking “which shall be in addition to the amount of the recipient’s award” and inserting “which may, as determined appropriate by the head of the agency, be included as part of the recipient’s award or be in addition to the amount of the recipient’s award”;

(D) in subparagraph (C)—

(i) by inserting “or business” after “technical”;;

(ii) by striking “the vendor” and inserting “a vendor”; and

(iii) by adding at the end the following: “Business-related services aimed at improving the commercialization success of a small business concern may be obtained from an entity, such as a public or private organization or an agency of or other entity established or funded by a State that facilitates or accelerates the commercialization of technologies or assists in the creation and growth of private enterprises that are commercializing technology.”;

(E) in subparagraph (D)—

(i) by inserting “or business” after “technical” each place it appears; and

(ii) in clause (i), by striking “the vendor” and inserting “1 or more vendors”; and

(F) by adding at the end the following new subparagraph:

(E) MULTIPLE AWARD RECIPIENTS.—The Administrator shall establish a limit on the amount of technical and business assistance services that may be received or purchased under subparagraph (B) by a small business concern that has received multiple Phase II SBIR or STTR awards for a fiscal year.”.

## SEC. 8. PROCUREMENT CENTER REPRESENTATIVES AND OTHER ACQUISITION PERSONNEL IN THE SBIR AND STTR PROGRAMS.

(a) DEFINITION OF SENIOR PROCUREMENT EXECUTIVE.—Section 9(e) of the Small Business Act (15 U.S.C. 638(e)) is amended—

(1) in paragraph (12)(B), by striking “and” at the end;

(2) in paragraph (13)(B), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(14) the term ‘senior procurement executive’ means an official designated under section 1702(c) of title 41, United States Code, as the senior procurement executive of a Federal agency participating in a SBIR or STTR program.”.

(b) INCLUSION OF SENIOR PROCUREMENT EXECUTIVES IN SBIR AND STTR.—

(1) IN GENERAL.—Section 9(b) of the Small Business Act (15 U.S.C. 638(b)) is amended—

(A) in paragraph (8), by striking “and” at the end;

(B) in paragraph (9), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following new paragraph:

“(10) to coordinate, where appropriate, with the senior procurement executive of the relevant Federal agency to assist small business concerns participating in a SBIR or STTR program with commercializing research developed under such a program before such small business concern is awarded a contract from such Federal agency.”.

(2) TECHNICAL AMENDMENT.—Section 9(b)(3) of the Small Business Act (15 U.S.C. 638(b)(3)) is amended by striking “and” at the end.

(c) MODIFICATIONS RELATING TO PROCUREMENT CENTER REPRESENTATIVES AND OTHER ACQUISITION PERSONNEL.—

(1) SBIR AMENDMENT.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following new paragraph:

“(4) MODIFICATIONS RELATING TO PROCUREMENT CENTER REPRESENTATIVES.—Upon the enactment of this paragraph, the Administrator shall modify the policy directives issued pursuant to this subsection to require procurement center representatives (as described in section 15(1)) to coordinate with the appropriate contracting officer or SBIR program officer, and the appropriate Director of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the agency letting the contract, to assist small business concerns participating in the SBIR program, particularly in Phase III. The procurement center representatives shall coordinate with the appropriate contracting officer and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the agency letting the contract.”.

(2) STTR AMENDMENT.—Section 9(p)(2) of the Small Business Act (15 U.S.C. 638(p)(2)) is amended—

(A) in subparagraph (E)(ii), by striking “and” at the end;

(B) in subparagraph (F), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new subparagraph:

“(G) procedures to ensure that procurement center representatives (as described in section 15(l))—

“(i) coordinate with the appropriate contracting officer or STTR program officer, and the appropriate Director of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the agency letting the contract, to assist small business concerns participating in the STTR program, particularly in Phase III; and

“(ii) coordinate with the appropriate contracting officer and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the Federal agency letting the contract in providing the assistance described in clause (i); and”.

(d) AMENDMENT TO DUTIES OF PROCUREMENT CENTER REPRESENTATIVES.—Section 15(l)(2) of the Small Business Act (15 U.S.C. 644(l)(2)) is amended—

(1) in subparagraph (I), by striking “and” at the end;

(2) by redesignating subparagraph (J) as subparagraph (L); and

(3) by inserting after subparagraph (I) the following new subparagraphs:

“(J) coordinate with the appropriate contracting officer or SBIR or STTR program officer, and the appropriate Director of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the agency letting the contract, to assist small business concerns participating in a SBIR or STTR program under section 9 with Phase III;

“(K) coordinate with the appropriate contracting officer and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to subsection (k) for the agency letting the contract; and”.

(e) AMENDMENT TO THE DUTIES OF THE DIRECTOR OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION FOR FEDERAL AGENCIES.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended—

(1) in paragraph (19), by striking “and” at the end;

(2) in paragraph (20), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

“(21) shall coordinate with the appropriate contracting officer of SBIR or STTR program officer to assist small business concerns participating in a SBIR or STTR program under section 9 with researching applicable solicitations for the award of a Federal contract (particularly with the Federal agency that has a funding agreement (as defined under section 9) with the concern) to market the research developed by such concern under such SBIR or STTR program; and

“(22) shall provide technical assistance to small business concerns participating in a SBIR or STTR program under section 9 to submit a bid for an award of a Federal contract, including coordination with procurement center representatives and the appropriate senior procurement executive for the agency letting the contract.”.

#### SEC. 9. INCREASED OUTREACH REQUIREMENTS.

(a) IN GENERAL.—

(1) SBIR AMENDMENT.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)), as amended by section 8, is further amended by adding at the end the following new paragraph:

“(5) INCREASED OUTREACH REQUIREMENTS.—Upon the enactment of this paragraph, the Administrator shall modify the policy directives issued pursuant to this subsection to require outreach efforts to increase the participation in technological innovation under the SBIR programs among individuals con-

ducting research at minority institutions (as defined in section 365(3) of the Higher Education Act of 1965) and Hispanic-serving institutions (as defined in section 502(a)(5) of such Act).”.

(2) STTR AMENDMENT.—Section 9(p)(2) of the Small Business Act (15 U.S.C. 638(p)(2)), as amended by section 8, is further amended by adding at the end the following new subparagraph:

“(H) procedures for outreach efforts to increase the participation in technological innovation under the SBIR programs among individuals conducting research at minority institutions (as defined in section 365(3) of the Higher Education Act of 1965) and Hispanic-serving institutions (as defined in section 502(a)(5) of such Act).”.

(b) FUNDING FOR OUTREACH.—Section 9(mm)(1) of the Small Business Act (15 U.S.C. 638(mm)(1)) is amended—

(1) in subparagraph (I), by striking the “and” at the end;

(2) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new subparagraph:

“(K) the outreach efforts described under subsections (j)(4) and (p)(2)(G); and”.

#### SEC. 10. ANNUAL MEETING.

(a) IN GENERAL.—Section 9 of the Small Business Act (15 U.S.C. 638), as amended by section 5, is further amended by adding at the end the following new subsection:

“(vv) ANNUAL MEETING.—

“(1) IN GENERAL.—The head of each Federal agency required to have a program under this section (or a designee) and the Administrator (or a designee) shall meet annually to discuss methods—

“(A) to improve the collection of data under this section;

“(B) to improve the reporting of data to the Administrator under this section;

“(C) to make the application processes for programs under this section more efficient; and

“(D) to increase participation in the programs established under this section.

“(2) REPORT.—Not later than 60 days after the date on which an annual meeting required under paragraph (1) is held, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives, a report on the findings of such meeting and recommendations on how to implement changes to programs under this section.”.

(b) FUNDING FOR ANNUAL MEETING.—Section 9(mm)(1) of the Small Business Act (15 U.S.C. 638(mm)(1)) as amended by section 9, is further amended by adding at the end the following new subparagraph:

“(L) the annual meeting required under subsection (vv).”.

#### SEC. 11. ESTABLISHING THE CIVILIAN AGENCY COMMERCIALIZATION READINESS PROGRAM.

Section 9(gg) of the Small Business Act (15 U.S.C. 638(gg)) is amended—

(1) by amending the subsection heading to read as follows: “CIVILIAN AGENCY COMMERCIALIZATION READINESS PROGRAM”;

(2) in paragraph (1), by inserting “to establish a Civilian Agency Commercialization Readiness Program for civilian agencies” after “the covered Federal agency”;

(3) in paragraph (2)(A)—

(A) by striking “establish a pilot program” and inserting “establish a Civilian Agency Commercialization Readiness Program under this subsection”; and

(B) by striking “the pilot program” and inserting “such Civilian Agency Commercialization Readiness Program”;

(4) in paragraphs (3) and (4), by striking “a pilot program” each place such term appears and inserting “a Civilian Agency Commercialization Readiness Program”;

(5) in paragraph (6), by striking “the pilot program” and inserting “a Civilian Agency Commercialization Readiness Program”;

(6) by striking paragraph (7) and redesignating paragraph (8) as paragraph (7); and

(7) in paragraph (7) (as so redesignated), by amending subparagraph (B) to read as follows:

“(B) the term ‘Civilian Agency Commercialization Readiness Program’ means each program established under paragraph (1).”.

#### SEC. 12. COMMERCIALIZATION ASSISTANCE PILOT PROGRAMS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by section 10, is further amended by adding at the end the following new subsection:

“(ww) COMMERCIALIZATION ASSISTANCE PILOT PROGRAMS.—

“(1) PILOT PROGRAMS IMPLEMENTED.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), not later than one year after the date of the enactment of this subsection, a covered agency shall implement a commercialization assistance pilot program, under which an eligible entity may receive a subsequent Phase II SBIR award.

“(B) EXCEPTION.—If the Administrator determines that a covered agency has a program that is sufficiently similar to the commercialization assistance pilot program established under this subsection, such covered agency shall not be required to implement a commercialization assistance pilot program under this subsection.

“(2) PERCENT OF AGENCY FUNDS.—The head of each covered agency may allocate not more than 5 percent of the funds allocated to the SBIR program of the covered agency for the purpose of making a subsequent Phase II SBIR award under the commercialization assistance pilot program.

“(3) TERMINATION.—A commercialization assistance pilot program established under this subsection shall terminate on September 30, 2022.

“(4) APPLICATION.—To be selected to receive a subsequent Phase II SBIR award under a commercialization assistance pilot program, an eligible entity shall submit to the covered agency implementing such pilot program an application at such time, in such manner, and containing such information as the covered agency may require, including—

“(A) an updated Phase II commercialization plan; and

“(B) the source and amount of the matching funding required under paragraph (5).

“(5) MATCHING FUNDING.—

“(A) IN GENERAL.—The Administrator shall require, as a condition of any subsequent Phase II SBIR award made to an eligible entity under this subsection, that a matching amount (excluding any fees collected by the eligible entity receiving such award) equal to the amount of such award be provided from an eligible third-party investor.

“(B) INELIGIBLE SOURCES.—An eligible entity may not use funding from ineligible sources to meet the matching requirement of subparagraph (A).

“(6) AWARD.—A subsequent Phase II SBIR award made to an eligible entity under this subsection—

“(A) may not exceed the limitation described under subsection (aa)(1); and

“(B) shall be disbursed during Phase II.

“(7) USE OF FUNDS.—The funds awarded to an eligible entity under this subsection may only be used for research and development activities that build on eligible entity’s Phase II program and ensure the research funded under such Phase II is rapidly progressing towards commercialization.

“(8) SELECTION.—In selecting eligible entities to participate in a commercialization assistance pilot program under this subsection, the head of a covered agency shall consider—

“(A) the extent to which such award could aid the eligible entity in commercializing the research funded under the eligible entity’s Phase II program;

“(B) whether the updated Phase II commercialization plan submitted under paragraph (4) provides a sound approach for establishing technical feasibility that could lead to commercialization of such research;

“(C) whether the proposed activities to be conducted under such updated Phase II commercialization plan further improve the likelihood that such research will provide societal benefits;

“(D) whether the small business concern has progressed satisfactorily in Phase II to justify receipt of a subsequent Phase II SBIR award;

“(E) the expectations of the eligible third-party investor that provides matching funding under paragraph (5); and

“(F) the likelihood that the proposed activities to be conducted under such updated Phase II commercialization plan using matching funding provided by such eligible third-party investor will lead to commercial and societal benefit.

“(9) EVALUATION REPORT.—Not later than 3 years after the date of the enactment of this subsection, the Comptroller General of the United States shall submit to the Committee on Science, Space, and Technology and the Committee on Small Business of the House of Representatives, and the Committee on Small Business and Entrepreneurship of the Senate, a report including—

“(A) a summary of the activities of commercialization assistance pilot programs carried out under this subsection;

“(B) a detailed compilation of results achieved by such commercialization assistance pilot programs, including the number of eligible entities that received awards under such programs;

“(C) the rate at which each eligible entity that received a subsequent Phase II SBIR award under this subsection commercialized research of the recipient;

“(D) the growth in employment and revenue of eligible entities that is attributable to participation in a commercialization assistance pilot program;

“(E) a comparison of commercialization success of eligible entities participating in a commercialization assistance pilot program with recipients of an additional Phase II SBIR award under subsection (ff);

“(F) demographic information, such as ethnicity and geographic location, of eligible entities participating in a commercialization assistance pilot program;

“(G) an accounting of the funds used at each covered agency that implements a commercialization assistance pilot program under this subsection;

“(H) the amount of matching funding provided by eligible third-party investors, set forth separately by source of funding;

“(I) an analysis of the effectiveness of the commercialization assistance pilot program implemented by each covered agency; and

“(J) recommendations for improvements to the commercialization assistance pilot program.

“(10) DEFINITIONS.—For purposes of this subsection:

“(A) COVERED AGENCY.—The term ‘covered agency’ means a Federal agency required to have an SBIR program.

“(B) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a small business concern that has received a Phase II award under an SBIR program and an additional Phase II SBIR

award under subsection (ff) from the covered agency to which such small business concern is applying for a subsequent Phase II SBIR award.

“(C) ELIGIBLE THIRD-PARTY INVESTOR.—The term ‘eligible third-party investor’ means a small business concern other than an eligible entity, a venture capital firm, an individual investor, a non-SBIR Federal, State or local government, or any combination thereof.

“(D) INELIGIBLE SOURCES.—The term ‘ineligible sources’ means the following:

“(i) The eligible entity’s internal research and development funds.

“(ii) Funding in forms other than cash, such as in-kind or other intangible assets.

“(iii) Funding from the owners of the eligible entity, or the family members or affiliates of such owners.

“(iv) Funding attained through loans or other forms of debt obligations.

“(E) SUBSEQUENT PHASE II SBIR AWARD.—The term ‘subsequent Phase II SBIR award’ means an award granted to an eligible entity under this subsection to carry out further commercialization activities for research conducted pursuant to an SBIR program.”.

#### SEC. 13. PHASE 0 PROOF OF CONCEPT PARTNER-SHIP PILOT PROGRAM.

(a) INCLUSION OF ADDITIONAL AGENCIES IN PILOT PROGRAM.—Section 9(jj) of the Small Business Act (15 U.S.C. 638(jj)) is amended—

(1) in paragraph (1)—

(A) by striking “The Director of the National Institutes of Health” and inserting “Each covered agency head”; and

(B) by striking “the Director” and inserting “each covered agency head”;

(2) by amending subparagraph (A) of paragraph (2) to read as follows:

“(A) the term ‘covered agency head’ means the Director of the National Institutes of Health, the Director of the National Science Foundation, the Administrator of the National Aeronautics and Space Administration and the Secretary of Energy.”;

(3) in paragraph (4)—

(A) in subparagraph (A), by striking “The Director” and inserting “Each covered agency head”; and

(B) in subparagraph (B), by striking “the Director shall consider, in addition to any other criteria the Director” and inserting “each covered agency head shall consider, in addition to any other criteria the appropriate covered agency head”; and

(4) in paragraph (6), by striking “The Director” and inserting “Each covered agency head”.

(b) EXTENSION OF PILOT PROGRAM AUTHORITY.—Section 9(jj)(7) of the Small Business Act (15 U.S.C. 638(jj)(7)) is amended by striking “fiscal year 2017” and inserting “fiscal year 2022”.

#### SEC. 14. REPORTING REQUIREMENTS.

(a) ANNUAL REPORT TO CONGRESS.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended by striking “to report not less than annually” and inserting “to submit a report not later than December 31 of each year”.

(b) ANNUAL REPORT TO SBA AND THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY.—Section 9(g)(9) of the Small Business Act (15 U.S.C. 638(g)(9)) is amended—

(1) by striking “make an annual report” and inserting “not later than March 30 of each year, submit a report”; and

(2) by striking “and the Office of Science and Technology Policy” and inserting “, the Office of Science and Technology Policy, the Committee on Science, Space, and Technology and the Committee on Small Business of the House of Representatives, and the Committee on Small Business and Entrepreneurship of the Senate”.

#### SEC. 15. SBIR PHASE FLEXIBILITY.

Section 9(cc) of the Small Business Act (15 U.S.C. 638(cc)) is amended by striking “Dur-

ing fiscal years” and all that follows through “may each provide” and inserting “During fiscal years 2018 through 2022, all agencies participating in the SBIR program may provide”.

#### SEC. 16. EXTENSION OF DEADLINE FOR ASSISTANCE FOR ADMINISTRATIVE, OVERSIGHT, AND CONTRACT PROCESSING COSTS.

Section 9(mm)(1) of the Small Business Act (15 U.S.C. 638(mm)(1)), as amended by this Act, is further amended by striking “September 30, 2017” and inserting “September 30, 2022”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. CHABOT) and the gentlewoman from Florida (Mrs. MURPHY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

#### GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bipartisan legislation introduced by Chairman KNIGHT and Ranking Member MURPHY of the Committee on Small Business’ Subcommittee on Contracting and Workforce aims to modernize and improve the Small Business Innovation Research and Small Business Technology Transfer, or SBIR and STTR, programs.

The SBIR and STTR programs have helped thousands of small businesses create new technologies, commercialize their ideas, and generate new jobs. While creating these benefits in the private sector, the programs offer, in a cost-effective manner, ways for Federal agencies to solve operational problems. H.R. 2763 strengthens these two programs in quite a few ways.

First, the bill emphasizes agency accountability by creating several firm reporting deadlines for covered agencies and for the SBA to provide future Congresses with improved information that will lead to a better understanding of the programs’ strengths and weaknesses.

Second, the legislation clarifies the congressional intent of the 2011 reauthorization to ensure that taxpayers reap the benefits of the SBIR and STTR programs by binding the technologies developed in the programs to long-term projects at the Department of Defense.

Third, the legislation extends a popular pilot program included in the 2011 reauthorization that would allow all participating Federal agencies to award a phase II contract immediately if the agency finds that the small business concern has already completed work typically done during phase I.

Fourth, it makes permanent the option for all participating agencies to

establish commercialization readiness programs, or CRPs. As a pilot program from the 2011 reauthorization, these CRPs have been shown to provide much-needed support to small companies nearing the completion of the process and have helped advance technology to the commercialization phase.

Fifth, it extends, through 2022, the provision that allows participating agencies to utilize 3 percent of their allocation for administrative functions, conduct outreach in an effort to bring more companies into the SBIR and STTR programs, and increase deterrents to waste, fraud, and abuse.

I want to thank Congressman KNIGHT and Congresswoman MURPHY for the bipartisan work on this important legislation. I would also like to thank Chairman SMITH and Ranking Member JOHNSON of the Committee on Science, Space, and Technology, as well as Chairwoman COMSTOCK and Ranking Member LIPINSKI of the Subcommittee on Research and Technology, for working together with us to produce this bipartisan bill that we have before us this afternoon.

I urge my colleagues to support the bill, and I reserve the balance of my time.

Mrs. MURPHY of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2763, The Small Business Innovation Research and Small Business Technology Transfer Improvements Act, which will modernize two programs that provide Federal funding to small technologically advanced firms to research and develop innovative products.

I am proud to have cosponsored this legislation with Congressman STEVE KNIGHT, and I am encouraged that my colleagues on the Small Business Committee and the House Science, Space, and Technology Committee on both sides of the aisle support the bill.

For decades, American innovation and ingenuity have bolstered our economic growth and solidified our country's status as a global leader in technology; and for more than 30 years, the Small Business Innovation Research and Small Business Technology Transfer programs have provided a critical source of funding to small businesses that engage in research and development. These initiatives were established to help spur innovation and job creation throughout the country.

Since the inception of the programs, more than \$40 billion has been awarded to small, innovative firms to address our Nation's most important research and development challenges. Because of the high-risk nature of their ventures, SBIR and STTR grantees receive R&D funding that might otherwise be unavailable in the private sector.

As a direct result of the Federal investment in these programs, breakthroughs have been made in a wide range of sectors, including agriculture, defense, energy, and healthcare. In

turn, these discoveries have generated tremendous economic growth and job opportunities across the country, including in central Florida.

For many research companies in my district, these two programs serve as a gateway to the Federal contracting field. That is why I am honored to have cosponsored this bipartisan legislation.

The final bill reflects bipartisan compromises and input from both committees of jurisdiction. Most importantly, it includes many provisions focused on developing innovative products that support important national priorities and that can be sold on the commercial market.

To improve oversight of the program, the bill requires the Small Business Administration to submit an annual report to Congress no later than December 31 of each year. This will enable us to better account for the use of funds and to better assess the progress of SBIR and STTR initiatives at participating agencies.

Another provision makes permanent the pilot program that establishes the Civilian Agency Commercialization Readiness program, which allows up to 10 percent of agency administrative dollars for sequential phase II awards to eligible businesses.

Finally, the bill includes an amendment that I authored to require participating Federal agencies to take additional steps to educate small firms about the SBIR and STTR programs and to encourage more small firms to apply for funding.

After more than a decade of fits and starts with these two programs, H.R. 2763 will make program improvements and provide much-needed certainty to small businesses seeking to commercialize. By authorizing the administrative fee to run these programs for an additional 5 years beyond its current authorization, Congress is taking proactive steps to give small firms the confidence they need to continue developing innovative products.

I respectfully ask my colleagues to vote for this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. KNIGHT), who is the chairman of the Subcommittee on Contracting and Workforce on the Small Business Committee.

Mr. KNIGHT. Mr. Speaker, I want to thank the chairman for his hard work and for his leadership, and I want to thank my partner in this, Congresswoman MURPHY, for her cosponsoring of this bill and for her work on this important piece of legislation.

A 21st century military requires a 21st century acquisition process, one that is agile, efficient, and effective. I represent California's 25th District, and nowhere will you find a more exemplary place that demonstrates the important role that small businesses play in both our aerospace and defense industrial base.

□ 1430

I see firsthand the innovative effect small businesses make and how they can positively impact government functioning.

The Small Business Innovation Research and Small Business Technology Transfer—SBIR and STTR—programs are critical to this impact. Now that these programs have been reauthorized until 2022, it is important that we continue to focus on spurring innovation.

That is why I introduced H.R. 2763, the Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2017. My bill reinforces agency accountability by requiring the Small Business Administration to provide Congress with better information and reasonable, hard deadlines. It clarifies congressional intent of the previous authorization to ensure that taxpayers reap the benefits of SBIR and STTR programs by tying them to long-term projects at the DOD. It also allows participating agencies to establish a new, separate commercialization assistance pilot program and extends three popular pilot programs through FY 2022, when the full program will need a full reauthorization.

With the use of SBIR and STTR programs, we can increase small business participation in the defense and aerospace industry while tapping into the true potential their American innovative spirit represents.

Mr. Speaker, I urge my colleagues to support this legislation and to vote "yes" on H.R. 2763, the Small Business Innovation Research and Small Business Technology Transfer Improvements Act.

Mrs. MURPHY of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the ranking member of the Science, Space, and Technology Committee.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to support H.R. 2763, the Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2017.

Mr. Speaker, I thank Chairman CHABOT, Ranking Member VELÁZQUEZ, Chairman SMITH, and all other colleagues on both committees for their work to advance this bipartisan piece to the House floor.

SBIR and STTR are valuable programs that provide competitive research and development grants and contracts to innovative small businesses. Stability and continuity in the SBIR and STTR programs are important goals, which is why I supported the agreement in last year's National Defense Authorization Act to extend the program until fiscal year 2022 at the current allocation level.

In H.R. 2763, the two authorizing committees have come to agreement on a number of policy improvements and some strengthened oversight for the programs.

The policy changes in H.R. 2763 advances sensible ways to further leverage small business R&D to help meet Federal mission needs, as well as contribute more broadly to U.S. innovation and economic growth. The bill includes continued support for early-stage funding for entrepreneurial researchers, provides funding for important agency outreach and administrative activities, streamlines reporting requirements, ensures agency outreach for researchers at minority-serving institutions, and authorizes several additional activities to support implementation of the program.

I am particularly pleased that the bill includes a provision to address current agency shortfalls in fostering the participation of women and minority-owned firms. Fostering diversity in STEM research and innovation is an economic imperative.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mrs. MURPHY of Florida. Mr. Speaker, I yield an additional 1 minute to the gentlewoman.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, we must continue to encourage such policies.

H.R. 2763 is a good bill that improves the SBIR program and maximizes the benefits of federally funded small business R&D.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. CHABOT. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MURPHY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. LIPINSKI).

Mr. LIPINSKI. Mr. Speaker, I thank Chairmen CHABOT and SMITH and Ranking Members VELÁZQUEZ and JOHNSON for their leadership on this bill.

The SBIR and STTR programs have helped countless innovative small businesses grow jobs through American ingenuity. This bill will make these programs work even better by providing small businesses with additional tools for bringing innovations to market. Better SBIR and STTR programs mean more successful small businesses and more jobs.

I especially want to thank my colleagues for supporting inclusion of two provisions that I put forward in committee.

First, the bill increases the amount of money that grant recipients are allowed to spend on business and technical services, like market research, intellectual property protection; or participation in entrepreneurial training programs, like the highly successful Innovation Corps program. This helps small businesses, especially startups, use their funds where they know they are needed most, for technical assistance, creative approaches to problem solving, and other types of guidance needed in today's complex marketplaces.

Second, this bill expands the highly successful Phase 0 Proof of Concept

Partnership pilot program, which I helped create at the National Institutes of Health in a previous SBIR reauthorization. This highly successful program provides the earliest funding for researchers exploring the possibility of turning their research into a viable medical product.

After just 2 years in operation, the three hubs created by the NIH program have filed 30 patent applications, negotiated 14 technology licenses, formed 7 companies, and have 70 promising technologies in the pipeline.

This bill extends the Phase 0 program for another 5 years at NIH and expands it to the National Science Foundation, NASA, and the Department of Energy. In doing so, we will be giving a needed boost to more researchers who are budding entrepreneurs who will create the jobs of tomorrow.

Mr. Speaker, our small businesses deserve support as they drive America's economic growth. This bill will give innovators and entrepreneurs additional tools to drive this growth that we so desperately need. So I strongly urge my colleagues to support this bill.

Mr. CHABOT. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MURPHY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. MCNERNEY).

Mr. MCNERNEY. Mr. Speaker, I thank the gentlewoman for yielding and for her work on this small business bill. I also thank Chairmen SMITH and CHABOT and Ranking Members JOHNSON and VELÁZQUEZ for including my amendment to benefit minority-serving institutions in H.R. 2763. This is essential to retaining American leadership in innovation and small business development.

The SBIR and STTR programs were both created to expand small business participation in the Federal research mission. One of the four objectives Congress had in mind in establishing the SBIR was to facilitate and increase the participation of minority and disadvantaged persons in technological innovation.

My amendment requires that the participating Federal agencies in the SBIR and STTR programs conduct outreach to minority-serving institutions—MSIs—and Hispanic-serving institutions and faculty conducting research at these institutions so that participation rates in Federal research and development opportunities will increase.

There are many great MSIs and researchers who work at these institutions across the country. For example, California State University Stanislaus, which has a campus in my district, is a Hispanic-serving institution and an MSI, and has been ranked one of the best colleges in our Nation. Our country depends on innovation of MSIs and the intellectual capital of its graduates.

In the 21st century, American economic growth is going to be deter-

mined by the innovation and growth of technology and STEM-focused businesses. It is critical to the growth of our economy that minority-serving institutions and minority-owned businesses are connected to this technological ecosystem.

Mr. CHABOT. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MURPHY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. TONKO).

Mr. TONKO. Mr. Speaker, I thank the gentlewoman for yielding.

Reauthorizing the SBIR and STTR programs are critical to supporting our Nation's most forward-thinking entrepreneurs and innovators. I am relieved that we are preserving the critical parts of the programs and continuing to improve upon the programs themselves.

These programs have proven to be one of the most successful Federal programs for technological innovation in United States history, delivering more than 70,000 patents and valuable innovations in agriculture, defense, energy, health sciences, homeland security, space, transportation, and other fields.

Through Phase I and Phase II SBIR, countless jobs have been created in the capital region of New York. It is through programs such as SBIR that our region has developed the underpinnings of support for a boom in high technology innovation and economic development.

One of many examples of this is Ecovative Design located within my congressional district in Green Island, New York, which has benefitted from the SBIR program over a number of years. These efforts will allow the company to continue its work on a replacement of engineered wood resins that will be economically competitive and nontoxic.

The resin system represents cost and energy savings, and is capable of leveraging existing manufacturing equipment in production today. This funding will help them deliver on the promise of this innovative technology.

Gavin McIntyre, cofounder and chief scientist at Ecovative said: "We're very excited to bring our new material technology to market and displace toxic formaldehyde-based resins. The SBIR/STTR program was fundamental to how Ecovative got its start and has enabled us to continue to take risks and develop game-changing technology."

While this bill is a positive step forward towards helping more small businesses, we must do more to help other small businesses develop these types of game-changing technologies.

I recognize the value of research and I will fight to see more funding for all these agencies and, in turn, more funding for the SBIR and STTR programs.

Mr. CHABOT. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MURPHY of Florida. Mr. Speaker, I have no further speakers and I am prepared to close.



Mr. Speaker, supporting our entrepreneurs and small businesses are a top priority for both sides of the aisle. Our bill will make it easier for small firms that receive SBIR and STTR awards to bring their products to market and achieve commercial success.

The SBIR and STTR programs are also critical to our economy, as they support our Nation's job creators and ensure that our country continues to produce cutting-edge research and development. This ingenuity is what makes our country a global economic powerhouse.

These programs, while successful, can be improved. The bill before us is a step in the right direction insofar as it will ensure that all Federal agencies are enhancing efforts to help more small businesses obtain SBIR and STTR funding and bring their innovative products to market.

Therefore, I respectfully urge my colleagues to support this bipartisan bill. Mr. Speaker, I yield back the balance of my time.

Mr. CHABOT. Mr. Speaker, I thank all those who spoke on this legislation, a very bipartisan, good legislation, here this afternoon on the House floor.

In closing, whether it is new software system for tracking contract payments or a new medical device to help with cancer treatments, or a new piece of technology that literally saves lives on the battlefield, the SBIR and STTR programs have consistently delivered results to Federal agencies. They are worthy programs that do what they are supposed to do, but we can always do better. This legislation improves and modernizes these programs, and I ask that all of my colleagues support it.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I support H.R. 2763, the Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2017.

And I thank the gentleman from California, Mr. KNIGHT, for introducing this important legislation. He serves on the two Committees that share jurisdiction over the SBIR and STTR programs: the Small Business Committee, chaired by my good friend, Mr. CHABOT, and the Science, Space, and Technology Committee, which I chair.

Mr. KNIGHT took the lead on last year's timely reauthorization of the SBIR and STTR programs, and he is the sponsor of H.R. 2763, which makes a number of needed policy changes to increase the programs' efficiency and effectiveness.

The SBIR program was signed into law by President Reagan in 1982, followed by the STTR program in 1992. These programs help spur economic innovation and competitiveness, and increase small business participation in federal research and development activity.

SBIR and STTR award winners convert the results of taxpayer-supported pioneering research into products that are critical to our economic competitiveness and national security. Recent examples include parts for NASA's Mars Rover and a unique cockpit airbag system to protect Army helicopter pilots.

Today 11 federal agencies provide funding to small businesses through SBIR, and five agencies provide funding through STTR—a total of nearly \$3 billion this fiscal year. That's more than 66 times greater than the \$45 million spent under the original program in 1983.

Recipients of SBIR and STTR funding have boosted scientific and technological innovation and created hundreds of thousands of American jobs.

Several large, international companies like Qualcomm, Sonicare and Symantec can trace their initial growth to when they were small businesses that received SBIR and STTR support.

I want to call attention to two provisions of H.R. 2763 that were added by Members of the Science Committee.

A provision authored by Mr. HULTGREN requires participating federal agencies to give priority to SBIR and STTR projects that will strengthen American manufacturing innovation and increase manufacturing jobs in our country.

A provision authored by Mr. HIGGINS requires federal agencies engaged in cyber security research to give priority to SBIR and STTR projects that will spur advances in cyber security to protect the American people from increasingly aggressive and malicious cyberattacks.

The legislation before us addresses a number of red flags raised by the Government Accountability Office (GAO) about lax administration of the SBIR and STTR programs.

Several participating agencies do not produce accurate, timely information that Congress requires to evaluate program performance.

The U.S. Small Business Administration has not submitted its required, comprehensive annual report to Congress since 2013.

The last administration provided virtually no information to Congress and taxpayers about the SBIR and STTR programs.

It's reassuring that SBA associate administrator Joseph Shepard promised during a joint hearing of our Committee and the Small Business Committee that annual reports will be submitted on time.

Mr. Speaker, H.R. 2763 was unanimously approved by both the House Small Business Committee and the House Science Committee. I urge all of my colleagues to support it.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 2763, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1445

#### POWER AND SECURITY SYSTEMS (PASS) ACT

Mr. OLSON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 190) to provide for consideration of the extension under the Energy Policy and Conservation Act of nonapplication of No-Load Mode energy efficiency stand-

ards to certain security or life safety alarms or surveillance systems, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 190

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Power And Security Systems (PASS) Act".

#### SEC. 2. EXTENSION OF NONAPPLICATION OF NO-LOAD MODE ENERGY EFFICIENCY STANDARD TO CERTAIN SECURITY OR LIFE SAFETY ALARM OR SURVEILLANCE SYSTEMS.

(a) Section 325(u)(3)(D)(ii) of the Energy Policy and Conservation Act (42 U.S.C. 6295(u)(3)(D)(ii)) is amended—

(1) by striking "2015" each place it appears and inserting "2021"; and

(2) by striking "2017" and inserting "2023".

(b) Section 325(u)(3)(E) of the Energy Policy and Conservation Act (42 U.S.C. 6295(u)(3)(E)) is amended—

(1) in clause (ii), by striking "July 1, 2017," and inserting "the effective date of the amendment under subparagraph (D)(ii)"; and

(2) by adding at the end the following:

"(iv) TREATMENT IN RULE.—In the rule under subparagraph (D)(ii) and subsequent amendments the Secretary may treat some or all external power supplies designed to be connected to a security or life safety alarm or surveillance system as a separate product class or may extend the nonapplication under clause (ii)."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. OLSON) and the gentleman from Illinois (Mr. RUSH) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

#### GENERAL LEAVE

Mr. OLSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and insert extraneous material in the record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. OLSON. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise today in support of S. 190.

External power supplies are used for all sorts of devices, and we have learned from experience that the Federal energy efficiency standards sometimes don't work in the ways we want them to. In particular, we need an exemption from these rules for the security and life safety alarms and surveillance alarms.

S. 190, the Power and Security Systems, or PASS, Act, provides targeted exemptions that allow these critical uses to stay on the market.

Devices like home security alarms or fire detection need to be on 24/7, 365, but the 2007 energy law on energy efficiency standards for external power supplies does not allow for this. Since then, Congress has created exemptions for these "always on" devices, but this exemption ended on July 1 of 2017. S. 190 extends this exemption out to 2023.